



## **Testimony before the Senate Judiciary Committee**

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Ronald W. Brenke, P.E., Executive Director  
American Council of Engineering Companies of Michigan

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Good Morning Chairman and members of the committee.

My name is Ron Brenke and I am the Executive Director for the American Council of Engineering Companies (ACEC) of Michigan. Today I am testifying on behalf of ACEC of Michigan in support of Senate Bill 149.

ACEC of Michigan is an association of nearly 100 private engineering, surveying and scientific firms located in Michigan who employ approximately 5,500 engineers and support staff. Our member firms range in size from 1 or 2 people to over 500 individuals.

Engineering firms provide engineering solutions while protecting the health, safety and welfare of the public. ACEC member firms are involved in a variety of engineering projects, ranging from small projects to the most difficult and complex. Our firms are involved in various aspects of projects including feasibility studies, environmental impact studies, design, survey, and construction oversight.

Engineers face a substantial degree of liability exposure for breach of contract, property damage, personal injury and wrongful death resulting from alleged negligence or malpractice in the course of their duties. Engineers, whom are required to secure malpractice insurance, are targets of suits from injured parties that seek relief from anyone that may be remotely involved in a death, or alleged injury or damage. Many malpractice and negligence claims brought against engineers have no material basis or justification in fact or in law. Nevertheless, these groundless suits are a source of considerable costs to engineers in terms of direct expenses, increased insurance premiums, loss of productive time and tarnished professional reputation. In addition, such meritless suits waste valuable public resources and cause backlogs in Michigan's civil justice system.

I will give you a few examples. A firm engineered a water system for a municipality. During construction, the contractor broke a water main and flooded a nearby home. The homeowner sued the contractor and when the money ran out,

they sued the engineer. On a different project, a surveyor who completed the boundary survey for a new parcel of land was recently sued when the future land owners' septic tank and drain field failed. The surveyor had absolutely nothing to do with the drain field; they only provided the property survey. Yet the surveying firm had to spend considerable dollars to defend themselves against this claim.

Several states, through Affidavit of Merit statutes, are successfully curbing the number of baseless claims brought against engineers by implementing procedures that place the responsibility for demonstrating that a lawsuit has merit on the plaintiff. Affidavit of Merit laws require the plaintiff to consult with a third-party design professional to review the facts of the claims and make a determination about whether or not the accusations have merit.

ACEC supports Senate Bill 149 because it will help to eliminate the multitude of frivolous lawsuits clogging court dockets and separate the claims that have merit from those that do not. Frivolous lawsuits not only increase the cost of doing business in this state, but also increase the cost of government.

For these reasons and more, ACEC supports Senate Bill 149. Thank you.